

House File 375 - Introduced

HOUSE FILE _____
BY BAILEY, WISE, SODERBERG,
and ANDERSON

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to distress criteria and the designation of
2 enterprise zones under the enterprise zone program and
3 including effective date and retroactive applicability
4 provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 2280HH 82
7 tm/es/88

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1 1 Section 1. Section 15E.194, subsection 1, paragraph c,
1 2 Code 2007, is amended to read as follows:
1 3 c. The county has experienced a percentage population loss
1 4 that ranks among the top twenty-five counties in the state
1 5 between 1995 and 2000. For purposes of this paragraph, prison
1 6 population shall not be included in the population
1 7 calculations.

1 8 Sec. 2. Section 15E.194, subsection 3, unnumbered
1 9 paragraph 1, Code 2007, is amended to read as follows:
1 10 A city may designate an area of up to four square miles to
1 11 be an enterprise zone if the area is designated a blighted
1 12 area as defined in section 403.17 by any city or an economic
1 13 development area pursuant to section 403.4 by a city with a
1 14 population of more than seventy-five thousand located in a
1 15 county with a population of less than one hundred ten thousand
1 16 and the area includes or is located within four miles of at
1 17 least three of the following:

1 18 Sec. 3. Section 15E.194, subsection 5, paragraph a, Code
1 19 2007, is amended to read as follows:
1 20 a. A city of any size or any county may designate an
1 21 enterprise zone at any time prior to July 1, 2010, when a
1 22 business closure or permanent layoff occurs involving. The
1 23 business closure or permanent layoff must involve the loss of
1 24 full-time employees, not including retail employees, at one
1 25 place of business totaling at least one thousand employees or
1 26 four percent or more of the county's resident labor force
1 27 based on the most recent annual resident labor force
1 28 statistics from the department of workforce development,
1 29 whichever is lower. A permanent layoff must occur on or after
1 30 July 1, 2005. The enterprise zone may be established on the

1 31 property of the place of business that has closed or imposed a
1 32 permanent layoff and the enterprise zone may include an area
1 33 up to an additional three miles adjacent to the property. The
1 34 area meeting the requirements for enterprise zone eligibility
1 35 under this subsection shall not be included for the purpose of
2 1 determining the area limitation pursuant to section 15E.192,
2 2 subsection 4. An eligible housing business under section
2 3 15E.193B shall not receive incentives or assistance for a home
2 4 or multiple dwelling unit built or rehabilitated in an
2 5 enterprise zone designated pursuant to this subsection.

2 6 Sec. 4. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
2 7 The section of this Act amending section 15E.194, subsection
2 8 3, being deemed of immediate importance, takes effect upon
2 9 enactment and applies retroactively to March 1, 2006.

EXPLANATION

2 11 This bill relates to distress criteria and the designation
2 12 of enterprise zones under the enterprise zone program.
2 13 Currently, an enterprise zone may be designated by a county
2 14 that meets two of four possible distress criteria. One of the
2 15 criteria is that the county has experienced a percentage
2 16 population loss that ranks among the top 25 counties in the
2 17 state between 1995 and 2000. The bill qualifies the

2 18 population criterion by prohibiting the inclusion of prison
2 19 population in the population calculations.
2 20 In 2006, a new type of enterprise zone was enacted,
2 21 effective March 1, 2006, which allows a city to designate an
2 22 area of up to four square miles to be an enterprise zone if
2 23 the area is a blighted area and the area includes or is
2 24 located within four miles of at least three certain types of
2 25 modes of transportation. The bill provides that the new type
2 26 of enterprise zone must be designated a blighted area by any
2 27 city or an economic development area by a city meeting certain
2 28 population requirements pursuant to the "Urban Renewal Law",
2 29 specifically, Code section 403.4. This provision of the bill
2 30 takes effect upon enactment and applies retroactively to March
2 31 1, 2006.
2 32 Currently, a city or county may designate an enterprise
2 33 zone at any time prior to July 1, 2010, when a business
2 34 closure occurs involving the loss of full-time employees, not
2 35 including retail employees, at one place of business totaling
3 1 at least 1,000 employees or 4 percent or more of the county's
3 2 resident labor force based on the most recent annual resident
3 3 labor force statistics from the department of workforce
3 4 development, whichever is lower. The bill changes the
3 5 requirement from a business closure to a business closure or a
3 6 permanent layoff. The permanent layoff must occur on or after
3 7 July 1, 2005.
3 8 LSB 2280HH 82
3 9 tm:nh/es/88